

LINE ITEM AND BOILERPLATE SUMMARY

HISTORY, ARTS, AND LIBRARIES

**Fiscal Year 2003-04
Public Act 160 of 2003
Senate Bill 279**

As Enacted



Mitchell E. Bean, Director

September 2003

Prepared and Compiled by:

**Steve Stauff, Fiscal Analyst
Kim O'Berry, Budget Assistant**

HOUSE FISCAL AGENCY GOVERNING COMMITTEE

Representatives:

Marc Shulman, Chair

Gretchen Whitmer, Vice Chair

Rick Johnson

Dianne Byrum

Randy Richardville

Mary Waters

MICHIGAN HOUSE OF REPRESENTATIVES APPROPRIATIONS COMMITTEE

Representatives:

Marc Shulman, Chair

Glenn Steil, Jr.

Judy Emmons, Vice Chair

John Stewart

Daniel Acciavatti

Shelly Taub

Francis Amos

Howard Walker

Jack Brandenburg

Gretchen Whitmer, Minority Vice Chair

Bruce Caswell

Richard Brown

Sandra Caul

Marsha Cheeks

David Farhat

Tupac Hunter

Jacob Hoogendyk

Chris Kolb

Jerry Kooiman

Daniel Paletko

John Moolenaar

Clarence Phillips

Mickey Mortimer

James Plakas

Gary Newell

Triette Reeves

John Pastor

Michael Sak

Mike Pumford

Carl M. Williams

Scott Shackleton

Paula Zelenko

Rick Shaffer

STATE OF MICHIGAN

HOUSE OF REPRESENTATIVES



HOUSE FISCAL AGENCY

MITCHELL E. BEAN, DIRECTOR

P.O. BOX 30014
LANSING, MICHIGAN 48909-7514
PHONE: (517)373-8080 FAX: (517)373-5874
www.house.mi.gov/hfa

GOVERNING COMMITTEE

MARC SHULMAN, CHAIR	GRETCHEN WHITMER, VC
RICK JOHNSON	DIANNE BYRUM
RANDY RICHARDVILLE	MARY WATERS

September 2003

TO: Members of the Michigan House of Representatives

The House Fiscal Agency has prepared a **Line Item Summary** for each of the FY 2003-04 appropriation acts. Each **Summary** contains line-by-line detail, including the amount and purpose of each appropriation line and information regarding related boilerplate sections, for a specific appropriation act. Following the line item detail, a brief explanation of each boilerplate section in the appropriations bill is provided.

Please note that ~~strikeouts~~ in this report show the effects of vetoes.

If you would like to obtain a Line Item Summary for a particular budget area, please contact Jeanne Dee, Administrative Assistant, at 373-8080.

TABLE OF CONTENTS

DEPARTMENT OF HISTORY, ARTS, AND LIBRARIES	1
Department Operations.....	2
Information Technology	3
Michigan Council for Arts and Cultural Affairs	4
Mackinac Island State Park Commission.....	5
Michigan Historical Program	6
Library of Michigan.....	9
BOILERPLATE	12

GLOSSARY

Frequently-Used State Budget Terms

Adjusted Gross

Total net amount of all line item gross appropriations less (or minus) interdepartmental grants (IDGs) and intradepartmental transfers (IDTs)

Boilerplate

Specific language sections contained in an appropriations act which direct, limit or restrict line item expenditures, and/or require reports

Budget Stabilization Fund (BSF)

The countercyclical economic and budget stabilization fund—also known as the "rainy day" fund

Federal Revenues

Federal grant or matchable revenues dedicated to specific programs

General Fund/General Purpose (GF/GP)

The state's primary operating fund; the portion of the state's General Fund that does not include restricted revenues

Gross Appropriations (Gross)

The total of all applicable line item spending authorizations

Interdepartmental Grant (IDG)

Revenue or funds received by one state department from another state department (usually for a service the receiving department provides)

Intradepartmental Transfer (IDT)

Transfers or funds being provided from one appropriation unit to another in the same department

Lapses

Unspent/unobligated funds remaining in line item accounts at the end of the fiscal year

Line Items

Specific funding amount in an appropriations bill which establishes spending authorization for a particular program or function (may be for a single purpose or for multiple purposes)

Local Revenue

Revenues from local units of government

State Restricted (Restricted Funds)

State revenue dedicated to a specific fund; revenue which results from state mandates or initiatives; used for used for specific programs pursuant to the Constitution or statute

Private Funds

Revenues from non-government entities such as rents, royalties or interest payments, payments from hospitals, payments from individuals, and gifts and bequests

School Aid Fund (SAF)

The primary funding source for K-12 schools and Intermediate School Districts (ISDs)

Work Project

An account established to allow for certain specific unspent funds to be carried over from one fiscal year to a succeeding fiscal year or years

DEPARTMENT OF HISTORY, ARTS, AND LIBRARIES

The Department of History, Arts, and Libraries (HAL) was created in 2001 to bring a focus to the state's efforts to develop and promote its arts, culture, library, and heritage resources. The Department's mission is to enrich quality of life for Michigan residents by providing access to information, preserving and promoting Michigan's heritage, and fostering cultural creativity. The Department includes the Mackinac Island State Park Commission, the Michigan Council for Arts and Cultural Affairs, the Michigan Film Office, the Michigan Historical Center and the Library of Michigan.

Full-time equated unclassified positions	6.0	Full-time equated (FTE) positions not in the state classified service.
Full-time equated classified positions	248.5	Full-time equated (FTE) positions in the state classified service.
Total full-time equated positions	254.5	Total number of all full-time equated positions (includes classified and unclassified). <i>Note: based on 2,088 hours for 1.0 FTE position</i>
GROSS APPROPRIATION	\$57,131,100	Total of all applicable line item appropriations.
Total interdepartmental grants and intradepartmental transfers	137,500	Total of all grants from other departments and transfer of funds.
ADJUSTED GROSS APPROPRIATION	\$56,993,600	Total net amount of all line item gross appropriations less (or minus) interdepartmental grants (IDGs) and intradepartmental transfers (IDTs).
Total federal revenues	9,322,600	Total federal grant or matchable revenues.
Total private revenues	577,400	Total private grant revenues.
Total other state restricted revenues	2,308,800	State revenue dedicated to a specific fund (other than the General Fund); or revenue earmarked for a specific purpose.
GENERAL FUND/ GENERAL PURPOSE	\$44,784,800	The state's primary operating fund; the portion of the state's General Fund that does not include restricted revenues.

SECTION 102: DEPARTMENT OPERATIONS

The Department Operations Unit provides funding for the central policy and administrative direction, and support services to the Department. Organizations funded under this unit are the Offices of the Director, Communications, and Regulatory Affairs; and the Business Services, Human Resources, and Resources Review Divisions.

The unit also funds the Michigan Film Office that was established in 1979 to market Michigan to the movie, television, video, commercial, documentary, industrial film and print media industry, using conventional and unconventional communication tools. The goal of this effort is the promotion of the Michigan film and video industry, thereby increasing state revenues.

Full-time equated unclassified positions	6.0	Full-time equated (FTE) positions authorized.
Full-time equated classified positions	24.5	FTE positions in the classified service of the state. <i>Note: based on 2,088 hours for 1.0 FTE position</i>
Unclassified salaries - 6.0 FTE positions	\$219,300	Salary of the Department director. The remaining 5.0 FTEs and funding for them are yet to be determined. Funding Source(s): GF/GP 219,300 <i>Related Boilerplate Section(s): 202, 204, 205, 207, 208, 209, 210, 211</i>
Management services - 23.5 FTE positions	1,819,700	Funding for all central management services of the Department. Funding Source(s): GF/GP 1,819,700 <i>Related Boilerplate Section(s): 202, 204, 205, 207, 208, 209, 210, 211</i>
Building occupancy charges and rent	2,884,000	Rent and property management charges paid for the use of state-owned facilities and privately-owned facilities. Funding Source(s): GF/GP 2,884,000 <i>Related Boilerplate Section(s): 202, 207, 208, 209, 210, 211</i>
Worker's compensation	37,900	Payment of worker's compensation premiums in accordance with provisions of the Worker's Compensation Act. Funding Source(s): GF/GP 37,900 <i>Related Boilerplate Section(s): 202, 207, 208, 209, 210, 211</i>
Office of film and television services - 1.0 FTE position	129,900	Promotion of Michigan as a location site for movie and television productions. Funding Source(s): GF/GP 129,900 <i>Related Boilerplate Section(s): 202, 204, 205, 207, 208, 209, 210, 211</i>
GROSS APPROPRIATION	\$5,090,800	Total of all applicable line item appropriations.
GENERAL FUND/ GENERAL PURPOSE	\$5,090,800	The state's primary operating fund; the portion of the state's General Fund that does not include restricted revenues.

SECTION 103: INFORMATION TECHNOLOGY

This appropriation unit contains funds for information technology services and projects administered by the Department of Information Technology that was created by Executive Order 2001-3.

Information technology services and projects	\$1,036,500	Funding designated for technology costs; funded from History, Arts, and Libraries, and administered by the Department of Information Technology.	
		Funding Source(s):	
		IDG	3,300
		Restricted	43,700
		GF/GP	989,500

Related Boilerplate Section(s): 202, 207, 208, 209, 210, 211, 213, 214

GROSS APPROPRIATION	\$1,036,500	Total of all applicable line item appropriations.
Total interdepartmental grants and intradepartmental transfers	\$3,300	Total of all grants from other departments and transfer of funds.
ADJUSTED GROSS APPROPRIATION	\$1,033,200	Total net amount of all line item gross appropriations less (or minus) interdepartmental grants (IDGs) and intradepartmental transfers (IDTs).
Total other state restricted revenues	\$43,700	Total revenue dedicated to a specific fund resulting from state mandates or initiatives.
GENERAL FUND/ GENERAL PURPOSE	\$989,500	The state's primary operating fund; the portion of the state's General Fund that does not include restricted revenues.

SECTION 104: MICHIGAN COUNCIL FOR ARTS AND CULTURAL AFFAIRS

These appropriations provide for the state's Arts and Cultural Grants program as well as for staff and administrative support for the Michigan Council for Arts and Cultural Affairs (MCACA). The mission of the Council is to encourage, develop, and facilitate an enriched environment of artistic, creative, and cultural activity in Michigan. The Council is also responsible for distribution of the Arts grants and administration of thirteen separate grant programs that provide funding to various arts and cultural organizations and arts education programs throughout the state. The Council is made up of 15 members appointed by the governor to serve three-year terms.

Full-time equated classified positions	10.0	Full-time equated (FTE) positions in the state classified service. <i>Note: based on 2,088 hours for 1.0 FTE position</i>
Administration - 10.0 FTE positions	\$694,400	<p>Staff and administrative support for the Michigan Council for Arts and Cultural Affairs. Council and its staff administer distribution of the appropriation for arts and cultural grants, set goals to strengthen arts and culture in the state, support arts education, broaden cultural awareness, establish and facilitate communication networks, and expand and develop funding resources for arts and cultural activities.</p> <p style="text-align: right;">Funding Source(s): GF/GP 694,400</p> <p><i>Related Boilerplate Section(s): 202, 204, 205, 207, 208, 209, 210, 211, 401</i></p>
Arts and cultural grants	11,771,300	<p>Funding for the 13 major grants programs: Anchor Organization Program; Arts Projects Program; Arts and Learning Program; Artists in Residence Program; Arts Organization Development Program; Capital Improvement Projects for Cities, Villages, and Townships (CVT) Program; Local Arts Agencies Services Program; Regional Regranting Program; Partnership Program; Discretionary Grants Program; Rural Arts and Cultural Projects, Cultural Projects Program and the Historical Projects Program. These programs provide matching funds to arts organizations and arts projects throughout the state.</p> <p style="text-align: right;">Funding Source(s): Federal 700,000 GF/GP 11,071,300</p> <p><i>Related Boilerplate Section(s): 202, 207, 208, 209, 210, 211, 401</i></p>
GROSS APPROPRIATION	\$12,465,700	Total of all line item appropriations.
Total federal revenues	700,000	Total federal grant or matchable revenues.
GENERAL FUND/ GENERAL PURPOSE	\$11,765,700	The state's primary operating fund; the portion of the state's General Fund that does not include restricted revenues.

SECTION 105: MACKINAC ISLAND STATE PARK COMMISSION

This unit provides funding for oversight of operational activities and preservation of historic resources at the Mackinac Island State Park, the Michilimackinac State Park and the Mill Creek State Park.

Full-time equated classified positions	46.8	Full-time equated (FTE) positions in the state classified service. <i>Note: based on 2,088 hours for 1.0 FTE position</i>
Mackinac Island park operations - 21.8 FTE positions	\$1,288,300	Includes all non-historical facility portions of the Mackinac Island State Park, Michilimackinac State Park, and Mill Creek State Park. These park facilities include nearly 2,400 acres, roads and trails, public utility sites, security, recreational facilities, docks, beaches, nature centers, and an airport. Supervision of leases, franchises, and concessions is also provided. Programs serve more than 800,000 park visitors during the five-month season. General funds support 65 non-revenue producing historic buildings. <div style="text-align: right;">Funding Source(s): Restricted 106,400 GF/GP 1,181,900</div> <i>Related Boilerplate Section(s): 202, 204, 205, 207, 208, 209, 210, 211</i>
Historical facilities system - 25.0 FTE positions	1,577,100	Operates historic buildings and museums; operational costs of historical facilities are supported from user fees. <div style="text-align: right;">Funding Source(s): Restricted 1,272,600 GF/GP 304,500</div> <i>Related Boilerplate Section(s): 202, 204, 205, 207, 208, 209, 210, 211</i>
GROSS APPROPRIATION	\$2,865,400	Total of all applicable line item appropriations.
Total state restricted revenues	1,379,000	State revenue dedicated to a specific fund (other than the General Fund); or revenue earmarked for a specific purpose.
GENERAL FUND/ GENERAL PURPOSE	\$1,486,400	The state's primary operating fund; the portion of the state's General Fund that does not include restricted revenues.

SECTION 106: MICHIGAN HISTORICAL PROGRAM

This appropriation unit provides funding for the preservation and interpretation of Michigan's history.

Full-time equated classified positions	86.2	Full-time equated (FTE) positions in the state classified service. <i>Note: based on 2,088 hours for 1.0 FTE position</i>
Federal programs - 14.9 FTE positions	\$1,853,900	State Historic Preservation Office identifies and protects historic sites through research and registration programs, planning, technical assistance, public education, grants, and compliance with federal laws. Funding Source(s): Federal 1,853,900 <i>Related Boilerplate Section(s): 202, 204, 205, 207, 208, 209, 210, 211, 501</i>
Heritage publications	700,000	Publishes various materials relating to Michigan history; supported by the Heritage Publication Fund, a revolving fund. Primary publication is the <i>Michigan History</i> magazine, a bimonthly periodical with a subscription base of more than 32,000. Funding Source(s): Restricted 700,000 <i>Related Boilerplate Section(s): 202, 207, 208, 209, 210, 211</i>
Historical administration and services - 71.3 FTE positions	5,074,400	Funds administration of the Michigan History Program, which preserves and interprets Michigan's past. <u>Michigan Historical Museum System:</u> Consists of the Michigan Historical Museum in Lansing, nine field museums, and one historic site. <u>State Archives:</u> Cares for state and local government records that have been determined to have enduring value; provides services to government, businesses, researchers, and the general public. Also provides assistance to local units of government in the areas of land records, probate records, and circuit court records management. <u>Records Management Services:</u> Manages state government records by developing Retention and Disposal Schedules for all state government agencies, advising agencies on the use of technology in records management and preservation, and operating the State Records Center. <u>Office of the State Archeologist:</u> Advises state agencies about management of sites and approving permits for archeological studies on state lands. Shares responsibility with the Department of Environmental Quality for implementing state law on shipwrecks, serves as the statewide repository for information on more than 15,000 archeological sites, and provides archeological expertise to the federally-funded Historic Preservation program. Manages, with the National Oceanic and Atmospheric Administration, the Thunder Bay National Underwater Preserve and Marine Sanctuary.

continued

Historical administration and
services - 71.3 FTE positions

continued

State Historic Preservation Office: Identifies, evaluates, registers, interprets, and protects Michigan's wealth of historic buildings and landscapes with a variety of services, training, and grant opportunities. Reviews nominations to the National Register of Historic places and oversees the Michigan Historical Marker program, the Centennial Farms program, the Certified Local Government program, and the Historical Preservation Tax Credit Program.

Publications Section: Administers publication of the *Michigan History* magazine; staff writes some material, edits all material, assists with design, manages private contracts, and develops advertising and promotional activities. Section also produces various brochures, pamphlets, and booklets explaining historical programs administered by the Center and the *Michigan History for Kids* magazine and *The Mitten* newsletter. Also includes the following:

Mann House: Funds the Mann House in Concord, Michigan; financed by a private bequest for operation of the house.

Lighthouse Program: Funds a grant program to assist with preservation of Michigan lighthouses that are being transferred from federal ownership. Grants are limited to \$20,000 maximum and are not available for operational purposes.

Some of the appropriations may be used by the Department for program administration and to assist in the transfer of lighthouses from the federal government.

Funding Source(s):	IDG	134,200
	Restricted	99,200
	GF/GP	4,841,000

Related Boilerplate Section(s): 202, 204, 205, 207, 208, 209, 210, 211, 503, 504, 505, 506, 507, 508

Private grants and gifts

502,400

Authorizes the Department to receive and expend private grants and gifts. Includes the State Historical Marker program that is paid for by the marker sponsors, and the Centennial Farm Marker program that is paid for by local utilities.

Funding Source(s):	Private	502,400
--------------------	---------	---------

Related Boilerplate Section(s): 202, 207, 208, 209, 210, 211

Thunder Bay national marine
sanctuary and underwater
preserve

187,400

Funds the Thunder Bay National Marine Sanctuary and Underwater Preserve that manages the collection of shipwrecks in the bottomlands of Thunder Bay.

Funding Source(s):	GF/GP	187,400
--------------------	-------	---------

Related Boilerplate Section(s): 202, 207, 208, 209, 210, 211

GROSS APPROPRIATION

\$8,318,100

Total of all applicable line item appropriations.

Total interdepartmental grants
and intradepartmental transfers

134,200

Total of all grants from other departments and transfer of funds.

**ADJUSTED GROSS
APPROPRIATION**

\$8,183,900

Total net amount of all line item gross appropriations less (or minus) interdepartmental grants (IDGs) and intradepartmental transfers (IDTs).

Total federal revenues

1,853,900

Total federal grant or matchable revenues.

Total private revenues

502,400

Total private grant revenues.

Total other state restricted
revenues

799,200

State revenue dedicated to a specific fund (other than the General Fund); or revenue earmarked for a specific purpose.

GENERAL FUND/ GENERAL PURPOSE	\$5,028,400	The state's primary operating fund; the portion of the state's General Fund that does not include restricted revenues.
----------------------------------	-------------	--

SECTION 107: LIBRARY OF MICHIGAN

The Library of Michigan is charged primarily with providing reference services to the Executive, Legislative, and Judicial branches of state government, and to the general public. As the fourth largest state library in the nation, the Library maintains a collection of over three million books, millions of state and federal government publications, Michigan newspapers on microfilm, magazines and other periodicals, and one of the country's leading collections on family history. The Library of Michigan also assists public libraries statewide. Workshops and training seminars are conducted by Library of Michigan staff to train librarians and library trustees in the areas of technology, administration, finance, and patron services.

As the administrative agency, the Library distributes state aid funding to Michigan public libraries and public library cooperatives; federal funds are distributed annually to support Michigan libraries through statewide projects, competitive grant projects, and subgrant projects dedicated to a specific area of statewide interest. The Library of Michigan is linked to the Library of Congress, and is the state agency responsible for library services to the blind and to persons with disabilities. Students and senior citizens use these services widely through the Library of Michigan and through a network of subregional libraries.

Full-time equated classified positions	81.0	Full-time equated (FTE) positions in the state classified service.
Book distribution centers	\$307,500	<p>Administers the state funding of the Book Distribution Program, a service which provides donated reading and educational materials free of charge to eligible recipients based on federal guidelines. Eligible recipients include adult basic education students; migrant, bilingual, and special education students; veterans' homes and hospitals; sheltered workshops; state prison camps and institutions; low-income senior citizens; substance abuse programs; homes for the abused; and adult literacy students.</p> <p style="text-align: right;">Funding Source(s): GF/GP 307,500</p> <p><i>Related Boilerplate Section(s): 202, 207, 208, 209, 210, 211, 607</i></p>
Collected gifts and fees	161,900	<p>Authorizes the Library to receive contributions, bequests, devises, user fees, grants, and donations from private individuals and agencies for the purpose of promoting, continuing, or accomplishing a specific project or task that supports the mission of the Library.</p> <p style="text-align: right;">Funding Source(s): Private 75,000 Restricted 86,900</p> <p><i>Related Boilerplate Section(s): 202, 207, 208, 209, 210, 211</i></p>
Grand Rapids public library	125,000	<p>Provides federal section 903(d), Social Security Administration (Reed Act) funds to purchase computers and train library staff to assist claimants in accessing unemployment agency websites.</p> <p style="text-align: right;">Funding Source(s): Federal 125,000</p> <p><i>Related Boilerplate Section(s): 202, 207, 208, 209, 210, 211 605, 701</i></p>

Grant to the Detroit public library	1,000,000	Provides federal section 903(d), Social Security Administration (Reed Act) funds to purchase computers and train library staff to assist claimants in accessing unemployment agency websites. Funding Source(s): Federal 1,000,000 <i>Related Boilerplate Section(s): 202, 207, 208, 209, 210, 211, 605, 701</i>
Library of Michigan operations - 81.0 FTE positions	6,239,600	Pays for some operational costs associated with the Library of Michigan. Operational costs include salaries, benefits, telephone, equipment, postage, travel, purchased services and contracts, subscriptions, microforms, magazines, books, book preservation, office and maintenance supplies, printing, and operations of the Law Library. Includes funding for a portion of the statewide contracts for the Michigan eLibrary (MeL) databases, a program that provides database access to Michigan residents through their public, school, academic and special libraries, or remotely using a valid driver's license or state identification card. The MeL project is a compilation of computer files and lists that provide a subject organization for selected sources of information found on the internet. Funding Source(s): GF/GP 6,239,600 <i>Related Boilerplate Section(s): 202, 204, 205, 207, 208, 209, 210, 211, 215, 603</i>
Library services and technology act	5,557,400	The Library Services and Technology Act (LSTA) provides federal funding to libraries throughout the state in the form of subgrants. Provides funding for special projects in the state's libraries, for assisting libraries that serve persons with disabilities, for providing Internet access grants and training centers around the state, for encouraging library technology and networking among all types of libraries, for encouraging multi-type library cooperation for the purpose of improving citizen access to information, and for providing outreach services to individuals who are having difficulty using a library. The Library of Michigan serves as the administrative agency that plans and monitors the use of the three categories of subgrants. Funding Source(s): Federal 5,557,400 <i>Related Boilerplate Section(s): 202, 207, 208, 209, 210, 211, 603</i>
State aid to libraries	13,327,100	Provides state-funded assistance to public libraries, as a supplement to local funding, to ensure that all Michigan residents have access to library services. State aid funding provides books and materials, staff training, interlibrary loan services, and document delivery services in order to link libraries together. Public Act 89 of 1977 establishes eligibility requirements that public libraries or library cooperatives must meet in order to qualify for state aid and sets the amount of funding to be distributed to each qualified library in the form of five different grants. The Library of Michigan administers the funding, monitors the requirements and payment systems, and publishes an annual report that summarizes statistical information gathered on state aid. Funding Source(s): GF/GP 13,327,100 <i>Related Boilerplate Section(s): 202, 207, 208, 209, 210, 211</i>

Subregional state aid	505,000	Supports the service of distributing free reading materials that are made available to all Michigan residents who cannot see or read regular print due to a physical disability. Free reading materials include books and magazines recorded on audiocassette, flexible disc, and in Braille; cassette and disc-playing equipment and accessories; and audio and close-captioned films. Appropriation is divided equally among eleven subregional libraries and one regional library for the blind and for persons with disabilities. Funding Source(s): GF/GP 505,000 <i>Related Boilerplate Section(s): 202, 207, 208, 209, 210, 211, 601, 602</i>
Wayne County library for the blind and physically handicapped	44,800	Funds the Wayne County Regional Library for the Blind and Physically Handicapped, which provides reading materials to the blind and to persons with disabilities in Wayne County. Funding Source(s): GF/GP 44,800 <i>Related Boilerplate Section(s): 202, 207, 208, 209, 210, 211</i>
Federal aid to libraries	86,300	Provides federal section 903(d), Social Security Administration (Reed Act) funds to public libraries to purchase computers and train library staff to assist claimants in accessing unemployment agency websites. Funding Source(s): Federal 86,300 <i>Related Boilerplate Section(s): 202, 604, 605, 701</i>
GROSS APPROPRIATION	\$27,354,600	Total of all applicable line item appropriations.
Total federal revenues	6,768,700	Total federal grant or matchable revenues.
Total private revenues	75,000	Total private grant revenues.
Total other state restricted revenues	86,900	State revenue dedicated to a specific fund (other than the General Fund); or revenue earmarked for a specific purpose.
GENERAL FUND/ GENERAL PURPOSE	\$20,424,000	The state's primary operating fund; the portion of the state's General Fund that does not include restricted revenues.

BOILERPLATE SECTION INFORMATION

Sec. 201. State Spending and State Appropriations Paid to Local Units of Government

Specifies the total state spending amount and state appropriations to be paid to local units of government contained in this appropriations act.

Sec. 202. Appropriations Subject to the Management and Budget Act

Subjects appropriations to the Management and Budget Act, 1984 PA 431.

Sec. 203. Acronym Definitions

Describes acronyms contained within this appropriations act.

Sec. 204. Civil Service 1% Charge

Requires the Department of Civil Service to bill departments for the 1% charge authorized by the State Constitution by the end of the first fiscal quarter, and requires departments to pay the billing by the end of the second fiscal quarter.

Sec. 205. State Classified Civil Service Hiring Freeze

Imposes a hiring freeze on the state classified civil service, permits exceptions, and requires a report on the number of exceptions granted, to include justification for the exceptions.

Sec. 207. Privatization Plans

Requires Department to submit a complete project plan 60 days prior to beginning any effort to privatize, and requires an evaluation of the privatization initiative within 30 months.

Sec. 208. Internet Reporting

Requires the Department to use the internet for fulfilling reporting requirements in this act and authorizes transmission of reports via e-mail.

Sec. 209. American Goods and Services

Prohibits the purchase of foreign goods or services if competitively priced and of comparable quality American goods or services are available.

Sec. 210. Business in Deprived and Depressed Communities

Requires the directors of departments to take all reasonable steps to ensure businesses in deprived and depressed communities compete for and perform contracts.

Sec. 211. Affirmative Action Programs

Requires that the Department, in order to receive GF/GP funding, follow the guidelines developed by the state equal opportunity workforce planning council.

Sec. 212. Acceptance/Appropriation of Grants, Donated Items and Funds

Allows the Department to receive and expend contributions, gifts, bequests, devises, user fees, grants, donations and payments to rent the Department's traveling museum exhibits. These funds may be carried over by the Department for expenditure in following fiscal years.

Sec. 213. Department of Information Technology User Fees

Requires the Department to pay user fees to the Department of Information Technology for technology-related services and projects.

Sec. 214. Information Technology Work Projects

Designates funding appropriated for information technology as work projects.

Sec. 215. Acceptance/Appropriation of Record Center, Census and Demographic Product Fee Revenue

Allows the Department to receive and expend fee revenue from reproduction services, conferences, trainings, storage services, supplying census information and various demographic products. These funds may be carried over by the Department for expenditure in following fiscal years.

Sec. 401(1). Criteria for Grant Application

Mandates to the Michigan Council for Arts and Cultural Affairs administration of all arts and cultural grant appropriations. Language empowers the council to evaluate grant requests, evaluate program quality, consider geographic equity in awarding grants, and provide guidance as to who may apply for grants and for what purposes.

Sec. 401(2). Local and/or Private Match to Appropriated Grant Funds

Requires a local and/or private match to appropriated grant funds; matching fund amounts must be substantiated by the recipient agencies.

Sec. 401(3). Grant Agreements

Requires each grant recipient to have a grant agreement with the Department which specifies applicable criteria included in this section and a listing of the projects funded.

Sec. 401(4). Reporting Requirements

Requires entities receiving funds from this section to submit to the council a final report covering the grant period. Language requires submission of an audit and annual report if an awardee receives grants greater than \$100,000.

Sec. 401(5). Grant Application Fees Usage

Allows the Department to collect grant application fees to be used for direct and indirect cost recovery.

Sec. 401(6). State Art Anchor Organization Grants Funding Limitations

Requires that the council ensure that all organizations receiving state arts anchor organization grants have combined grant awards of no more than 15.0% of operating revenue for the fiscal year ending September 30, 2005, and beyond.

Sec. 401(7). Encouraging Professionally-Directed Operations

States that the council shall continue to encourage nonprofit arts and cultural organizations to move from a solely volunteer based organization to professionally-directed operations.

Sec. 401(8). Limiting Grant Awards

Requires that any organization receiving grants within the anchor organization category in excess of 10.0% of their operating revenue for fiscal year ending September 30, 2003, shall not receive a combined grant award from all grant categories, except the partnership program, that is greater than the combined grant award from these categories that the organization received for the fiscal year ending September 30, 2003.

Sec. 401(9). Regional Regranting Program

Guides the council on distribution of funds granted through the regional regranting program. Council provides for an annual assessment of grant management and distribution of mini-grant awards.

Sec. 401(10). Anchor Organization Program Awards

Suggests that the council provide awards in the anchor organization program not to exceed 70% of the total appropriated for arts and cultural grants.

Sec. 401(11). Arts Grants Reports

Requires that the Department provide a report to the appropriations subcommittees, the state budget office and the fiscal agencies due 30 days after the annual grant awards are made and a second report due when materials are first distributed by the council seeking grant applications for the subsequent fiscal year.

Sec. 401(12). Arts Grant Awardees by County Report

Requires that the Department provide within one day of the final council vote, electronic notification to each legislator of the website location containing the list of arts and cultural grant awardees.

Sec. 501. Historic Site Preservation Grants

Authorizes \$1.4 million in federal funds for Historic Site Preservation grants; authorizes the funding as a work project account.

Sec. 502. Michigan Heritage Fund

Appropriates funds collected for the Michigan Heritage Fund; and authorizes the fund as a work project account.

Sec. 503. Museum Store

Exempts the museum store from purchasing requirements contained within 1984 PA 431, the Management and Budget Act.

Sec. 504. Preserving Michigan Lighthouses

Establishes guidelines for grants to transfer from federal ownership and/or preserve Michigan lighthouses.

Sec. 505. Michigan Freedom Trail Commission and Status Notification

Appropriates \$74,700 to support operations of the Michigan Freedom Trail Commission; requires report on the status of the freedom trail commission.

Sec. 506. Sale of State Historical Museum Artifacts

Allows that proceeds from the sale of unsuitable Michigan Historic Museum artifacts may be used to purchase additional material for the collection. These revenues are immediately appropriated for expenditure. The Department shall notify the chairs and vice-chairs of the appropriations committees one week prior to any auctions or sales.

Sec. 507. Historical Society of Michigan Access to Michigan History Magazine Subscriber List

Makes available to the Historical Society of Michigan the Michigan History Magazine subscriber list at actual cost unless prohibited by law.

Sec. 508. Local Historical Society Grant Program Guidance

Provides guidance on the use of \$100,000 within the *Historical Administration and Services* appropriation line to be used for a competitive grant program for all state and local historical societies.

Sec. 601. Local Support for Subregional Library Services

Requires the subregional library's fiscal agency to maintain its local support for subregional library services in order to receive Subregional State Aid.

Sec. 602. Approval of Budgets for Subregional Libraries

Requires approval of budgets for subregional libraries by the Department prior to release of state funding.

Sec. 603. Computerized Databases

Requires the appropriation for Statewide Database Access to be used to set up computerized data bases, search those data bases, and make products of those searches available through libraries of Michigan.

Sec. 604. Federal Aid to Libraries

Requires that the funding in the new Federal Aid to Libraries appropriation line be awarded on a competitive basis to all eligible libraries for the purpose of providing computers to train library staff and to assist claimants in accessing unemployment agency websites.

Sec. 605. Reed Act Funding Work Project

Provides that federal section 903(d), Social Security Administration (Reed Act) funds appropriated in part 1, be used to provide libraries with computers and train library staff to assist claimants in accessing unemployment agency websites. The grants should target high unemployment areas. Appropriated funds are eligible as a work project with a tentative completion date of September 30, 2004. Language clarifies that funds appropriated to the Grand Rapids Public Library and the Grant to the Detroit Public Library appropriation lines in part 1 will no longer be available after September 30, 2004.

Sec. 606. Public Library Special Collections Study

Requires the Department to conduct a study, due to the Legislature no later than September 30, 2004, on special collections at public libraries across the state. The study shall include recommendations for funding recognizing the distinct nature of the respective collections.

Sec. 607. Book Distribution Centers

Includes language authorizing Book Distribution Centers funding in part 1 to the Public Enrichment Foundation and to the Michigan Friends of Education at \$158,700 and \$148,800, respectively.

Sec. 701. Repealer Language - Federal Aid to Libraries (Reed Act) Work Project

Repeals language in section 520 of 2002 PA 530, language that designated federal Reed Act funds as work project appropriations.

Fourth Floor, North Tower, Anderson Building
124 North Capitol Avenue, Lansing, Michigan 48933

Mail to: P. O. Box 30014
Lansing, Michigan 48909-7514

Phone: 517-373-8080 FAX: 517-373-5874
www.house.mi.gov/hfa



Mitchell E. Bean, Director
Bill Fairgrieve, Deputy Director

COMMUNITY HEALTH Bill Fairgrieve, Deputy Director
Medicaid..... Bill Fairgrieve, Senior Analyst
Mental Health–Substance Abuse..... Margaret Alston, Senior Analyst
Public Health–Aging..... Susan Frey, Senior Analyst

EDUCATION AND HUMAN SERVICES Hank Prince, Associate Director
Higher Education Hank Prince, Senior Analyst; Kyle I. Jen, Senior Analyst
Career Development–Consumer and Industry Services–Michigan Strategic Fund..... Steve Stauff, Senior Analyst
Community Colleges..... Kyle I. Jen, Senior Analyst
Family Independence Agency
 Administration–Grants–Staffing..... Richard Child, Senior Analyst
 Child and Family Services–Juvenile Justice..... Erin Black, Senior Analyst
Education Mary Ann Cleary, Senior Analyst; Laurie Cummings, Senior Analyst
School Aid Mary Ann Cleary, Senior Analyst; Laurie Cummings, Senior Analyst
Transportation William E. Hamilton, Senior Analyst

GENERAL GOVERNMENT..... Al Valenzio, Associate Director
Capital Outlay–Retirement–Supplementals Al Valenzio, Senior Analyst
Attorney General–Auditor General–Civil Rights–Civil Service–Executive Office–
 Information Technology–Legislature–Lottery–Management and Budget–State..... Robin Risko, Senior Analyst
 Treasury Jim Stansell, Economist
History, Arts, and Libraries..... Steve Stauff, Senior Analyst
Corrections–Judiciary–Bill Analysis System Marilyn Peterson, Senior Analyst
Agriculture–Clean Michigan Initiative–Environmental Quality–Federal Funds Monitoring–
 Natural Resources–Natural Resources Trust Fund..... Kirk Lindquist, Senior Analyst
Military and Veterans Affairs–State Police Hannah Lee, Fiscal Analyst
Legislative Transfers..... Kyle I. Jen, Senior Analyst

FISCAL OVERSIGHT, AUDIT AND LITIGATION..... William E. Hamilton, Senior Analyst

ECONOMIC AND REVENUE FORECAST–TAX ANALYSIS Rebecca Ross, Senior Economist
Jim Stansell, Economist

SUPPORT STAFF

Office Manager Sharon Risko, Administrative Assistant
Publications and Data Jeanne Dee, Administrative Assistant
Community Health–Corrections–Family Independence Agency–Judiciary–
 HFA Library Tumai Burris, Budget Assistant
Community Colleges–Education–Higher Education–School Aid–Transportation–
 Transfers–HFA Internet–Bill Analysis..... Barbara Graves, Budget Assistant
Agriculture–Capital Outlay–Career Development–Consumer and Industry Services–
 Environmental Quality–General Government–History, Arts, and Libraries–
 Michigan Strategic Fund–Military and Veterans Affairs–Natural Resources–Retirement–
 Revenue and Tax Analysis–State Police–Supplementals Kim O’Berry, Budget Assistant
Facilities Coordinator Ericah Caughey

September 2003



Additional copies of this report can be obtained from:

House Fiscal Agency
P.O. Box 30014
Lansing, MI 48909-7514
(517) 373-8080
FAX (517) 373-5874
www.house.mi.gov/hfa